



MAINE STEP-UP PROGRAM AGREEMENT

Leadership Track

NorDx

PURPOSE

The greatest challenge of the 21st century will be using earth's resources in sustainable ways to meet human needs. Through its own natural cycles, the earth provides clean water and air, fertile soils, and a myriad of plants and animals, all of which are essential to sustain life. We must find ways of producing products and providing services that model nature's cyclical design and sustain its productive capacities. In fact, where we can we must restore those capacities diminished by past misuse.

Environmental regulatory programs of the last 30 years have done much to clean and protect our waters, air and land. Now, new approaches to environmental protection are needed if continuous improvements are to be realized.

The Maine Department of Environmental Protection and NorDx have agreed to explore new ways of protecting the environment that go beyond regulatory compliance. NorDx commits to continuously improve its business practices to protect people and the environment. NorDx will publicly report on its progress to inspire other businesses to seek improvement in their own environmental performance.

The Maine Department of Environmental Protection commits to vigorously assist NorDx on its "climb up the mountain"—accepting the challenge—to find environmentally sustainable ways of doing business. The Goals Toward Sustainability described in Section III. B. of this agreement are for the "Pathways" described in the "Climbing the Mountain" diagram found in the Department's A Guide for Your Business: Smart Production and the Maine STEP-UP Program.

1. INTRODUCTION

NorDx was established in 1976 as Maine's first licensed independent clinical laboratory. In 1997, NorDx joined with Maine Medical Center and clinical components of the Maine Medical Center Research Institute to form a single, not-for-profit laboratory and one of the most sophisticated laboratories in New England. NorDx is a member of the MaineHealth family, which is Maine's largest healthcare system.

NorDx's primary laboratory occupies 30,000 square feet in a state-of-the-art facility located in Scarborough, Maine. More than four hundred employees process 3,000 specimens daily.

The NorDx 24-hour, 7-day a week operation is a local source of routine and esoteric testing with a full range of professional, consultative, and technical resources. NorDx offers laboratory expertise and centers of excellence in the disciplines of clinical pathology, anatomic pathology, and molecular pathology. NorDx provides comprehensive services to hospitals, networks, physician offices, post-acute and long-term care providers, managed care organizations, and employer groups throughout New England.

NorDx is fully accredited and licensed by CLIA, College of American Pathologists, Maine Department of Human Services, and the New York Department of Health. NorDx prides itself on delivering high quality services, which are embodied in the NorDx goal: "Error Free, On Time, Every Time."

NorDx commits to the Maine Department of Environmental Protection (DEP) to strive toward sustainability goals for its business with the assistance of the DEP. DEP will provide technical services and recognition for achievements made by NorDx under this Agreement during its three-year period. The DEP will assign a senior staff person to work with NorDx during the design and implementation of the agreement.

2. PERFORMANCE COMMITMENTS

A. Environmental Business Practices

1. Compliance Status

- a) NorDx has programs in place to maintain compliance with the conditions of all of its permits and licenses and applicable regulations. These programs include periodic inspections and corrective actions as necessary.

- b) NorDx holds a variety of environmental licenses/permits from the USEPA/Maine DEP including EPA # ME000000539, Maine O-187-HL-A-N (treatment and beneficial reuse permit), and Maine Generator #0903 for biomedical waste.

2. Environmental Management System Pathway To Sustainability

- a) NorDx will consolidate all its stand-alone environmental practices into an Environmental Management System (EMS) to address the impacts of its operations by January 2004.
- b) The NorDx EMS will be modeled after the standards outlined in the ISO 14001.
- c) NorDx will seek third-party verification of the EMS by December 2004. A qualified professional, as agreed upon by NorDx and DEP, shall conduct the review utilizing the ISO 14001 standards. If the EMS is not verified as meeting the standard, NorDx shall develop and implement a corrective action plan within the following 12 months.

3. Workers & Community Pathway To Sustainability

- a) NorDx has an active environmental education program for employees. This program includes: 1) general awareness training at employee orientation on topics of P2, toxics use and reduction, and the mercury reduction and elimination plan; 2) specific training on hazardous waste management; and 3) training on the implementation of the EMS.
- b) NorDx actively involves employees throughout the organization by encouraging committee participation and by solicitation of input, feedback and suggestions.
- c) NorDx plans to conduct annual community meetings in Scarborough with local residents, and business and town leaders to discuss environmental projects and to provide a forum for providing input and feedback. Also, the NorDx website will be used as an avenue to solicit community feedback and interest in NorDx activities.

B. Goals Toward Sustainability

1. Transportation/Energy Pathway To Sustainability

The transportation goal for NorDx is to increase efficiencies in the courier service via better itinerary planning, regular vehicle preventative maintenance and/or use of more fuel-efficient vehicles.

2. Toxics Pathway To Sustainability

- a) NorDx will continue to seek the reduction of toxicity of waste shipped offsite for disposal.
- b) NorDx intends to reduce the amount of mercury contaminated waste per total samples taken on an annualized basis. NorDx will focus on overall mercury reduction throughout its operations.
- c) NorDx will seek to reduce hazardous waste generated and shipped offsite for disposal.

3. Solid Waste Pathway To Sustainability

NorDx efforts to minimize solid waste will be focused in the areas of product elimination, substitution and recycling.

C. Measurement Methods

1. Transportation/Energy

NorDx uses a fleet of automobiles in their delivery of services. NorDx commits to reducing fossil fuel consumption and associated emissions. By December 2005 the goal of NorDx is to increase courier fleet efficiencies and dollars saved by 20% from a baseline of 2003. NorDx will work with the Maine DEP to develop and to refine a metric that assesses the economic and environmental impact of transportation. NorDx will explore possible ways to achieve this goal including evaluation of hybrid gasoline-electric vehicles and improvement in planning more efficient routes for delivery of services. Metric will capture fuel use reduction and emission reduction on a per unit of business activity basis.

2. Toxics/Hazardous Waste

- a) NorDx's goal is virtual elimination of mercury to the environment by 2005. NorDx has worked with a consultant to identify mercury containing products and equipment. NorDx commits to finding suitable non-mercury substitutes and to designing an inventory program that favors the purchase of mercury-free products by January 2004. NorDx will share this information

with the Department and other health care professionals in Maine by June 2004.

- b) NorDx utilizes a variety of chemicals, reagents and materials, in conducting medical tests that at the end of their useful life become hazardous waste. NorDx will seek a 20% reduction in hazardous waste generation by 2004, utilizing baseline data from 1999. NorDx will seek to achieve this goal through product substitution and process changes.

3. Solid Waste

NorDx generates solid waste including paper, plastic, cardboard containers and packaging. Currently, solid waste from NorDx is combined with that of other tenants and managed by the building owners. NorDx will conduct a survey in 2003 to determine the amount (weight/volume) of various categories of solid waste generated. NorDx will seek a 20% reduction in the amount of solid waste generated by December 2005, utilizing a base year of FY 2003. Of the solid waste remaining after reduction, NorDx will seek to recycle or reuse 20% by December 2005, utilizing a base year of FY 2003.

D. Public Involvement

NorDx will make progress reports available to employees through the NorDx Newsletter and other applicable means of communication such as management team and sectional meetings. Progress towards meeting goals will be reported during annual community meetings.

E. Mentoring

NorDx will partner with Maine DEP in its Health Care Industry Pollution Prevention (P2) efforts, focusing on providing assistance to related businesses. NorDx agrees to share its experiences and challenges in the areas of environmental compliance and P2 with NorDx health care partners in the laboratory, or related industry.

F. Relationship

NorDx will work closely with DEP to achieve its sustainability goals by identifying specific regulatory issues that stand in the way of achieving goals and work to find mutually agreeable solutions. Specifically:

- 1. DEP's STEP-UP Program Contact will attend regularly scheduled company meetings to discuss progress towards goals and ways to

resolve impediments, and will participate in community meetings, as requested.

2. DEP will work with NorDx to consolidate multiple state reports into a common schedule.
3. NorDx will meet regularly, but at least semi-annually, with DEP to report progress and discuss impediments or other relevant issues. NorDx also agrees to meet with other STEP-UP participants for round table discussions on a schedule, not more than semi-annually, to be determined by the DEP.
4. DEP will provide technical assistance to NorDx, as it develops its EMS.
5. Maine DEP will make staff available to NorDx for technical and regulatory assistance. This assistance will be provided consistent with existing State law and agency policy. Maine DEP expects to forego civil penalties for certain types of first-time violations discovered in the process of providing assistance or disclosed as a result of compliance audits performed by NorDx when NorDx corrects the non-compliant condition within the shortest practicable time period, and in all cases within 90-days of discovery. Violations excluded from this provision are those listed in Maine DEP's Small Business Compliance Incentives Policy, Section III (as amended February 14, 1996) and its Supplemental Environmental Projects Policy, Section V (as amended June 15, 2000). Regular or necessary compliance inspections performed as part of day-to-day business at Maine DEP are not subject to these provisions.

G. Recognition

DEP will recognize NorDx participation in the STEP-UP Program by including specific information on the *Smart Production and STEP-UP Web Pages* maintained by the State, and in press releases from time-to-time to keep the general public informed of NorDx's status in the STEP-UP Program. NorDx will also receive a Governor's Award for Environmental Excellence without the need for application when any *Sustainability Goal* detailed in this agreement is achieved.

3. Reporting

NorDx will forward biannual progress reports to the DEP, beginning June 1, 2003, citing accomplishments toward sustainability goals and identifying any need to adjust goals. The report will also assess the effectiveness of the working relationship between DEP and NorDx and recommend changes that might be needed.

4. Termination

Either party to this Agreement may terminate the participation of NorDx in the STEP-UP Program with 30-days notice to the other party.

WITNESS here today, December 5, 2002, that the undersigned parties enter into this agreement.

Angus S. King, Jr., Governor State of Maine

J. Joseph Fiore, Chief Operating Officer, NorDx